

AMENDED IN SENATE APRIL 22, 2004

AMENDED IN SENATE APRIL 13, 2004

SENATE BILL

No. 1188

Introduced by Senator Chesbro

February 9, 2004

An act to amend Section 50550.1 of the Health and Safety Code, relating to farmworker housing.

LEGISLATIVE COUNSEL'S DIGEST

SB 1188, as amended, Chesbro. Farmworker housing.

Existing law establishes, among other housing programs, the Workforce Housing Reward Program administered by the Department of Housing and Community Development to provide local assistance for the construction or acquisition of capital assets to cities, counties, and cities and counties that provide land use approval to affordable housing developments, as specified.

This bill would require the department to provide the local assistance pursuant to the above described program to cities, counties, or cities and counties that provide land use approval to employee housing, as defined.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 50550.1 of the Health and Safety Code
2 is amended to read:

50550.1. (a) To the extent that funds are available, the department shall provide local assistance grants to a city, county, or city and county that issues a building permit for a housing development consisting of newly constructed units or employee housing, as defined in *subdivision (b) of Section 17008*, that are affordable to very low or low-income households if all of the following conditions are met:

(1) Final land use approval was granted to the development on or after January 1, 2004.

(2) (A) In the case of rental units or employee housing, as defined in *subdivision (b) of Section 17008*, the development is subject to a regulatory agreement recorded against the property that obligates the owner to maintain rents on the restricted units at levels affordable to very low or low-income households for at least 55 years.

(B) In the case of ownership housing, units shall be initially sold to households of low or very low income at an affordable housing cost. If public funds are used to achieve an affordable housing cost, then upon the sale of an assisted unit to a low- or very low income household, the public entity shall ensure the repayment of the public funds and reuse of those funds for affordable housing for a period of at least 20 years. The proposed mechanism for restrictions of ownership units shall be consistent with criteria established by the department and specified in the Notice of Funding Availability.

(3) By the end of the 12-month period covered by the Notice of Funding Availability, the city, county, or city and county has an adopted housing element that the department has found pursuant to Section 65585 of the Government Code to be in substantial compliance with the requirements of Article 10.6 (commencing with Section 65580) of Chapter 3 of Division 1 of Title 7 of the Government Code and has submitted to the department the annual progress report required by Section 65400 of the Government Code within the preceding 12 months.

(b) For each year that funds are available, the department shall issue a Notice of Funding Availability to cover permits issued during a 12-month time period. The department shall accept applications at the close of the 12-month period. Grant amounts shall be determined as a per-bedroom incentive for each unit restricted for very low and low-income households. The

1 department may determine grant amounts for employee housing,
2 as defined in *subdivision (b) of* Section 17008 separately. For the
3 purposes of this section single-room occupancies and studio
4 apartments shall be considered as one-bedroom units. The grant
5 for very low income units shall be greater than the grant for
6 low-income units. If the eligibility for funds exceeds the amount
7 of funding available for this program, the department shall reduce
8 all grants proportionally.

9 (c) A city, county, or city and county that qualified for a grant
10 from the Jobs-Housing Balance Incentive Grant Program pursuant
11 to Section 50544 during the 2001 calendar year shall receive an
12 additional amount of funds for each bedroom that qualifies under
13 this section. The department shall determine the amount of the
14 bonus grant to be awarded pursuant to this subdivision.

15 (d) Nothing in this section shall be construed to authorize a
16 local agency to meet any portion of its regional housing needs
17 allocation, pursuant to Section 65584 of the Government Code, by
18 providing or authorizing others to provide employee housing, as
19 defined in *subdivision (b) of* Section 17008, that does not qualify
20 as a housing unit as defined by the United States Bureau of the
21 Census as interpreted by the Department of Finance and the
22 Department of Housing and Community Development.

